



08 OCT 2002

THRU: ARMY ACQUISITION EXECUTIVE

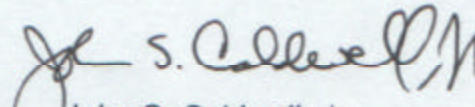
FOR: VICE CHIEF OF STAFF, ARMY

SUBJECT: Multiple Launch Rocket Systems (MLRS)  
Recapitalization Program Baseline (RPB) Approval

The enclosed subject memorandum is provided for both the Army Acquisition Executive (AAE) and Vice Chief of Staff, Army (VCSA) signatures. The MLRS RPB obtained the required documentation and coordination from the Army Staff.

The MLRS program has a Program Objective Memorandum Fiscal Year 2004-2009 decrement culminating in the adjustment of the MLRS Recapitalization program. Enclosed (TAB D) is an information paper detailing the changes to the AAE/VCSA Recapitalization Program Decision.

Very respectfully,

  
John S. Caldwell, Jr.  
LTG, GS

Enclosure



DEPARTMENT OF THE ARMY  
WASHINGTON, D.C. 20310

SAAL-SI

MEMORANDUM FOR SEE DISTRIBUTION

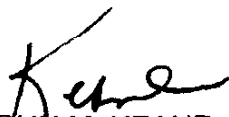
SUBJECT: Multiple Launch Rocket System (MLRS) Recapitalization Program  
Baseline (RPB) Approval


The M270A1 RPB (TAB A) is the latest of 17 major Army systems to submit its Recapitalization program Baseline for review and approval by the Army Acquisition Executive/Vice Chief of Staff of the Army. This RPB is submitted in accordance with guidance provided in the October 7, 2001, letter from LTG Caldwell tasking Recapitalization Program Executive Officer's (PEO's) to prepare and submit the RPB after performing required coordination with the appropriate Major Subordinate Command. The PEO Tactical Missiles conducted a Decision Review of the M270A1 Recapitalization Program and approved its entry into Full Rate Production.

In accordance with the Army Recapitalization Management Policy, the M270A1 RPB, dated March 1, 2002, is approved for implementation. The PEO and Project Manager will execute all selected upgrades and rebuilds for the M270A1 system in accordance with the funding and schedule baselines documented in the RPB. The RPB will provide the basis for sound management and a historical record from which to measure success.

It is imperative that we work together and establish close partnerships at all levels to ensure success. Our warfighters depend on this recapitalization effort to maintain system readiness, sustainability, and combat overmatch as we transform the Army.

Point of contact for this matter is Mr. John McVey, phone (703) 601-0356, john.mcvey@saalt.army.mil.

  
JOHN M. KEANE  
General, U. S. Army  
Vice Chief of Staff, Army

  
Claude M. Bolton, Jr.  
Army Acquisition Executive

Enclosure

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GENERAL COUNSEL, ATTN: SAGC

DEPUTY CHIEF OF STAFF FOR LOGISTICS, ATTN: DALO-SM

DIRECTOR, PROGRAM ANALYSIS AND EVALUATION, ATTN: DACS-DPZ-A

DIRECTOR, U.S. ARMY COST AND ECONOMIC ANALYSIS CENTER, ATTN: SAFM-CA-ZA

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PROGRAM EXECUTIVE OFFICER, TACTICAL MISSILES, ATTN: SFAE-TM

RECAPITALIZATION PROGRAM BASELINE  
FOR THE  
MULTIPLE LAUNCH ROCKET SYSTEM (MLRS)  
M270A1 LAUNCHER



PREPARED BY:  
PRECISION FIRES ROCKET AND MISSILE SYSTEMS (PFRMS)  
PROJECT OFFICE

1 Mar 2002

## **Precision Fires Rockets and Missile Systems (PFRMS) MLRS M270A1 Recapitalization Program Baseline**

**1. Program Description:** On 17 Aug 2001, the VCSA approved the Recapitalization plan for the MLRS M270A1 Launcher Program. By definition, the M270A1 is a selected upgrade recapitalization program. This program upgrades 327 launchers including launcher and vehicle rebuild and significant operational capability improvements such as an Improved Fire Control System, and an Improved Launcher Mechanical System. The M270A1 is capable of firing all current MLRS munitions as well as the Guided MLRS (GMLRS) rocket and ATACMS Block IA and II missiles. Procurement of M270A1s began in FY98. Currently, a total of 185 launchers are under contract with 50 launchers delivered as of 31 Jan 02. The process of fielding the First Unit Equipped with M270A1 began in 2QFY02 at 2-20 FA, 4ID in Ft. Hood, TX.

This program includes 3 significant activities, the Improved Fire Control System (IFCS) Modification, the Improved Launcher Mechanical System (ILMS) Modification, and a complete rebuild of the launcher.

The IFCS upgrades the electronics and navigation equipment by utilizing new hardware and software. The IFCS is a solid-state microprocessor based Command, Control, Communication, and Intelligence system. IFCS provides highly accurate positioning via ring laser gyros and Global Positioning Systems (GPS) as a backup. It has the on-board capability to receive a fire mission, determine its location, compute firing data, orient on the target, and fire the selected weapon.

The ILMS upgrades the mechanical system by driving all hydraulic systems off the engine via a power take off (PTO) system rather than by a battery operated electro-hydraulic motor. The ILMS enables the launcher to reduce times at both the firing point and the reload site, thus providing a faster system that moves simultaneously in azimuth and elevation. Faster operation of the launcher mechanical system will thereby improve survivability of the crew and the launcher during fire and reload operations.

The rebuild portion of the M270A1 Recapitalization Program consists of a complete tear down and rebuild of the M269 Launcher Loader Module (LLM) and the M993 Carrier vehicle to a near zero hour/zero mile condition. The rebuild is defined in detail in the approved M270A1 Recapitalization Configuration Baseline as shown in Appendix 1.



**2. Baseline Funding:** The recapitalization funding profile approved by the VCSA on 17 Aug 01 represents the costs associated with executing the recap program through handoff to the user. It does not include such items as normal Operation and Support costs. The RDTE and PA funded costs approved by the VCSA were based on the POM File 3.0 dated 29 Jun 01. The OMA funded costs associated with the M270A1 recap program include Supply Depot Operations (SDO) and Second Destination Transportation (SDT). Costs for these elements were calculated on a per-launcher basis using yearly procurement quantities.

Table 1 depicts the current M270A1 recap funding profile based on the PB03 Lock dated 23 Jan 02 for the RDTE and PA funded elements. There was no change in RDTE funding from the VCSA approved program. The current program funding represents a reduction of a total of \$31.36M in PA funding from the VCSA approved program. SDT and SDO elements have been updated based on detailed battalion requirements and calculated on a per fielding basis off the current fielding schedule as shown in Appendix 2. The result of this more detailed methodology is a reduction in requirements from the VCSA approved program for the OMA funded elements of \$6.92M. The total change in program funding from the VCSA approved program is \$38.28M. The M270A1 Recapitalization Program is executable given the PB03 funding and OMA requirements as shown in Table 1.

**TABLE 1 – MLRS M270A1 Recapitalization Funding Table (TY\$M)**  
**(Based on PB03 dated 23 Jan 02)**

Required	FY02	FY03	FY04	FY05	FY06	FY07	FY03-07	EPP	Total
<b>RDTE</b>	-	-	-	-	-	-	-	-	-
<b>PA</b>	\$146.99	\$147.86	\$131.15	\$125.14	\$127.05	\$93.83	\$625.02	\$91.53	<b>\$863.55</b>
Weapon System	\$116.15	\$119.71	\$105.17	\$100.02	\$102.26	\$68.52	\$495.68	\$52.14	<b>\$663.97</b>
Training Devices	\$3.25	\$5.62	\$3.38	\$2.47	\$2.17	\$2.29	\$15.93	\$0.14	<b>\$19.32</b>
Initial Spares	\$9.91	\$6.73	\$6.65	\$6.54	\$6.33	\$6.42	\$32.67	\$5.10	<b>\$47.68</b>
STS	\$17.69	\$15.80	\$15.95	\$16.11	\$16.29	\$16.60	\$80.75	\$34.15	<b>\$132.60</b>
<b>OMA</b>	\$1.98	\$1.42	\$1.92	\$1.53	\$1.29	\$1.26	\$7.41	\$1.70	<b>\$11.09</b>
SSTS	-	-	-	-	-	-	-	-	-
SDT	\$0.85	\$0.70	\$0.68	\$0.63	\$0.51	\$0.49	\$3.00	\$0.78	<b>\$4.63</b>
Spares	-	-	-	-	-	-	-	-	-
Trainer CLS	-	-	-	-	-	-	-	-	-
COSIS	-	-	-	-	-	-	-	-	-
SDO	\$1.13	\$0.62	\$1.24	\$0.90	\$0.78	\$0.77	\$4.41	\$0.92	<b>\$6.46</b>
PPSS	-	-	-	-	-	-	-	-	-
MWO	-	-	-	-	-	-	-	-	-
ASIOE/COEI*	-	-	-	-	-	-	-	-	-
USF Cost	-	-	-	-	-	-	-	-	-
<b>Other Funded</b>	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-
Manning	-	-	-	-	-	-	-	-	-
Munitions	-	-	-	-	-	-	-	-	-
Installation Spt.	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$148.97</b>	<b>\$149.26</b>	<b>\$133.07</b>	<b>\$126.67</b>	<b>\$128.34</b>	<b>\$95.08</b>	<b>\$632.43</b>	<b>\$93.23</b>	<b>\$874.64</b>
<b>System Name</b>	<b>FY02 Program Acquisition Unit Cost (TY\$M)</b>								
M270A1	IFCS/ILMS/Rebuild Launcher and Carrier					\$ 4.20M**			

\* Associated Support Item of Equipment (ASIOE)/ Component of End Item (COEI)

\*\* \$146.99M(FY02) / 35 Units



3. **Baseline Schedule:** Table 2 represents the MLRS M270A1 Recapitalization Delivery Schedule. Procurement of M270A1s began in FY98 and delivery of the first M270A1 occurred in July 2000. 185 launchers are currently under contract, 50 of which have been delivered to date. Quantities reflected in the table are deliveries, which are preceded by approximately 24 months of acquisition activities, component lead times, hardware integration, and acceptance testing. The proposed M270A1 fielding schedule based on the latest guidance is shown in Appendix 2.

System Name	Prior	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	Total
M270A1	40	36	62	55	42	30	32	30		327

**TABLE 2 – MLRS M270A1 Recapitalization Schedule**

4. **Performance:** The Army leadership will track the metrics outlined in Table 3 to measure the effectiveness of the MLRS M270A1 Recapitalization Program. The macro level metrics were formulated to be flexible and efficient performance measures. The responsible agency will exercise the process used to collect supporting empirical data at appropriate times to ensure all data elements required for the calculations are available.

Metrics	Objective	Sources of Data
Formula	Performance Measures	
1. Reduce Avg. Fleet Age	The objective is 13 yrs or less by 2010  The threshold is 15 years or less by 2010	DD250
$AFA = \sum_{i=1}^N \frac{Ai}{N}$		The approved recapitalization plan will reduce the current baseline projection of 20 years to 13 years by 2010
Where: AFA = Average Fleet Life A = Age of Launchers in Years (based on DD250 date) N = Sum of M270 & M270A1 launchers in the fleet		



<b>2. Increase Launcher Operational MTBF</b>	Launcher MTBOMF => 37 Hours	Sample Data Collection and analysis supplied by the Field Service Representative (FSR). Web based data collection effort tracks the entire M270A1 fielded fleet.												
$LOMTBF = LMLOMTBF$		MTBOMF is the primary metric. Increase MTBF of Upgraded Components will be tracked for specified performance. Additional metrics are outlined in the Performance Planned Agreement (PPA).												
<div>LOMTBF = Launcher Operational Mean Time Between Failure</div> <div>LMLOMTBF = Lockheed Martin Sample Data Collection MTBF results</div> <table><thead><tr><th><u>Component</u></th><th><u>MTBF</u></th></tr></thead><tbody><tr><td>1. PNU</td><td>3400 hours</td></tr><tr><td>2. WIU</td><td>2200 hours</td></tr><tr><td>3. LIU</td><td>2300 hours</td></tr><tr><td>4. MSD</td><td>15,000 hours</td></tr><tr><td>5. PSU</td><td>10,000 hours</td></tr></tbody></table>			<u>Component</u>	<u>MTBF</u>	1. PNU	3400 hours	2. WIU	2200 hours	3. LIU	2300 hours	4. MSD	15,000 hours	5. PSU	10,000 hours
<u>Component</u>	<u>MTBF</u>													
1. PNU	3400 hours													
2. WIU	2200 hours													
3. LIU	2300 hours													
4. MSD	15,000 hours													
5. PSU	10,000 hours													
<b>3. Reduce Average Reload Time</b>	Decrease Reload time by 30% over the M270	DD250 / Quality Conformance Inspection Procedure (QCIP) for Acceptance of the M270A1 M270A1 ORD												
$ART = \sum_{i=1}^N \frac{T_i}{N} \times \frac{1}{MR}$		Decreasing Reload Time is critical to increasing the operational capability of the MLRS System.												
<div>Where: ART = Percent Change for the Average Reload Time</div> <div>T = Total time based on QCIP for Launcher Acceptance for the M270A1's accepted to date (DD250)</div> <div>N = Sum of M270A1 launchers accepted to date (DD250)</div> <div>MR = M270 requirement for Reload Time (M270A1 ORD)</div>														
<b>4. Reduce time from launcher lay to last rocket fired</b>	49 % decrease over the M270	DD250 / Quality Conformance Inspection Procedure (QCIP) for Acceptance of the M270A1 M270A1 ORD												
$TLLRF = \sum_{i=1}^N \frac{T_i}{N} \times \frac{1}{MR}$		Decreasing the time from launcher lay to last rocket fired is critical to increasing the operational capability of the MLRS System.												
<div>Where: TLLRF = Percent Change for the Time from launcher lay to last rocket fired</div> <div>T = Total time based on QCIP for Launcher Acceptance for the M270A1's accepted to date (DD250)</div> <div>N = Sum of M270A1 launchers accepted to date (DD250)</div> <div>MR = M270 requirement for time from launcher lay to last rocket fired (M270A1 ORD)</div>														

**TABLE 3 – M270A1 Recapitalization Performance Table**

**5. Interfaces:** The M270A1 Recapitalization Program relies on a government-industry partnership to achieve cost, schedule and performance objectives. The partnership includes Lockheed Martin Missiles and Fire Control (LMMFC) and Red River Army Depot (RRAD). The Business Relationships between LMMFC and RRAD go back as early as 1982 with delivery of the first M270 Launcher. Both of these partners bring critical skills to the recapitalization effort and are involved in several aspects of this integrated strategy.

Examples of the relationship between LMMFC and RRAD associated with the M270A1 program include the following events:

The initial FY98 (LRIP 1) procurement of M270A1 launchers was executed with LMMFC performing the upgrade of the M269 LLM to the M269A1 and integration of the M269A1 to M993A1 carriers, which were upgraded from the M993 configuration by United Defense Limited Partnership (UDLP), to form M270A1 launchers. Beginning with the FY99 (LRIP 2) procurement of 24 M270A1 launchers, RRAD performed the upgrade 15 M993 carriers to the M993A1 configuration and rebuild and upgrade of 9 M993s to M993A1s. LMMFC performed 15 M269 to M269A1 upgrades, 9 rebuild and upgrades to M269A1s and integration of all M269A1s and M993A1s into M270A1 systems. In the FY00 and FY01 (LRIP 3 & 4) procurements, which are currently being delivered, RRAD is performing the rebuild and upgrade of all M993s to M993A1s and rebuild of a total of 12 M269 LLMs. LMMFC is performing the rebuild of the balance of the M269s, upgrading the M269s to M269A1 and integration of all M269A1s and M993A1s into M270A1s as before. For the FY02 (LRIP 5) procurement, and possibly the remainder of the M270A1 program, RRAD will perform all M993 to M993A1 rebuild and upgrades and rebuild of all M269s while LMMFC will upgrade the M269s to M269A1s and perform the M269A1 / M993A1 integration into M270A1 systems.

Table 4 outlines the major recapitalization responsibilities of each partner.

*Depot/Industry Partnership	Agreements	Date of signature/ Implementation	Test Relationship (if required)	Recap Initiative
Industry – LMMFC	Strategic Partnership Agreement	October 1998 October 1998	N/A	IFCS/ILMS Hardware Kits LLM Rebuild and Upgrade System Integration
Depot – RRAD	Strategic Partnership Agreement	October 1998 October 1998	N/A	Carrier Rebuild and Upgrade LLM Rebuild

**TABLE 4 – MLRS M270A1 Recapitalization Interfaces Table**



DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY  
ACQUISITION LOGISTICS AND TECHNOLOGY  
103 ARMY PENTAGON  
WASHINGTON DC 20310-0103

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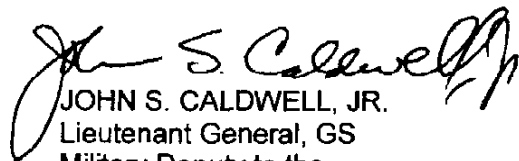
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SAAL-SI

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Recapitalization Program Baseline

This memorandum sets forth guidance that should be followed to document and track the Army's Recapitalization effort. Enclosed is the template that will be used to develop and execute the individual systems Recapitalization Program Baseline. The Program/Project/Product Manager of the systems that have already been approved by the Army Acquisition Executive/Vice Chief of Staff, Army (AAE/VCSA) will be afforded 90 days from the date of this document to follow and complete the Recapitalization approval process laid out in this Recapitalization Program Baseline guidance. Future candidate systems that have not been seen by the AAE/VCSA will be afforded 60 days after an option is adopted, to complete the process of creating a baseline. All recapitalization systems will obtain validation, within afforded time frames, of the Baseline Cost Data, Cost Benefit Analysis and Trade Off Analysis from the Cost and Economic Analysis Center.

The point of contact for this matter is COL Jim Wells, DSN: 224-3993 or 703-614-3993.



JOHN S. CALDWELL, JR.  
Lieutenant General, GS  
Military Deputy to the  
Assistant Secretary of the  
Army (Acquisition, Logistics  
and Technology)

Enclosure

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AND COMPTROLLER), ATTN: SAFM-BUI





REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
PROGRAM EXECUTIVE OFFICE, TACTICAL MISSILES  
REDSTONE ARSENAL, ALABAMA 35898-8000

SFAE-MSL

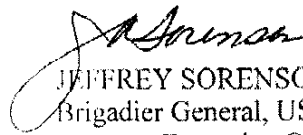
8 JUL 2002

MEMORANDUM FOR Honorable Claude M. Bolton Jr., Assistant Secretary of the Army  
(Acquisition, Logistics and Technology), 103 Army Pentagon, Washington, DC 20310-0103

SUBJECT: Multiple Launch Rocket System (MLRS) M270A1 Recapitalization Program  
Baseline

1. I am submitting for your review and approval the Recapitalization Program Baseline (RPB) for the MLRS M270A1 program. The baseline represents the intent of the Precision Fires Rocket and Missile Systems (PFRMS) Project Manager to recapitalize and upgrade 327 M270 launchers to M270A1 launchers, given the funding levels are approved at the briefing to the Vice Chief of Staff of the Army on 17 August 2001.
2. The PFRMS Project Office has worked closely with the U.S. Army Aviation & Missile Command (AMCOM), Office of the Deputy Commander for Transformation, during development of the M270A1 RPB, to ensure compliance with the RPB guidance approved on 7 November 2001. PFRMS Project Office, the AMCOM Integrated Materiel Management Center, and the AMCOM Deputy Commander for System Support have reviewed and concurred with the M270A1 RPB.
3. The M270A1 RPB and cost estimating rationale was reviewed by the Cost Economic Analysis Center (CEAC). CEAC concurred with the costs presented in the M270A1 RPB on 4 April 2002. Additionally, I reviewed and approved the Integrated Program Summary documents to include the Acquisition Strategy and the Acquisition Program Baseline for M270A1 as part of the March 2002 Full Rate Production Decision.
4. The point of contact for this matter is Mr. Carlos B. Kingston, 256-842-8302, DSN 788-8302.

Encl

  
JEFFREY SORENSON  
Brigadier General, US Army  
Program Executive Officer,  
Tactical Missiles



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
COST AND ECONOMIC ANALYSIS CENTER  
1421 JEFFERSON DAVIS HWY SUITE 9000  
ARLINGTON VA 22202-3259



04 APR 2002

SFFM-CA-ZA (11-18a)


MEMORANDUM FOR THE PROGRAM EXECUTIVE OFFICER, TACTICAL MISSILES,  
ATTN: SFAE-MSL, REDSTONE ARSENAL, AL 35898

SUBJECT: Multiple Launch Rocket System (MLRS) M270A1  
Recapitalization Baseline Cost Sufficiency Review

1. The Army Cost and Economic Analysis Center has reviewed the cost presented by the Program Manager for the Multiple Launch Rocket System M270A1 Recapitalization Baseline, dated 01 Mar 2002 (enclosed). Our review focused only on the recapitalization investment cost estimate. Per our agreement with Office of the Assistant Secretary of the Army Acquisition, Logistics, and Technology (OASAALT), we did not examine the potential savings or affordability of the recapitalization program. The submission provided a reasonable estimate of the total recapitalization baseline cost.

2. The U.S. Army Cost and Economic Analysis Center points of contact are: Ms. Betty Weber, (703) 601-4141 or DSN 329-4141, and Mr. Bob Conley, (703) 601-4173 or DSN 329-4173.

Encl

  
ROBERT W. YOUNG  
Director

CF:

Project Manager - Precision Fires Rocket & Missile Systems  
Product Manager - M270A1  
ASA (ALT), ATTN: SAAL-SI



## FUNDING AND SCHEDULE SUBMISSION, DATED 01 MARCH 2002

**Recapitalization Program Funding.** The M270A1 Recapitalization funding profiles in the table below represent funding in the President's Budget 03. (RDT&E contains sunk cost only.)

Funding \$M (TY)	FY02	FY03	FY04	FY05	FY06	FY07	FY03-07	EPP	Total
RDTE									
PA	146.99	147.86	131.15	125.14	127.05	93.83	625.02	91.53	\$863.55
Weapon System	116.15	119.71	105.17	100.02	102.26	68.52	495.68	52.14	\$663.97
Training Devices	3.25	5.62	3.38	2.47	2.17	2.29	15.93	0.14	\$19.32
Initial Spares	9.91	6.73	6.65	6.54	6.33	6.42	32.67	5.10	\$47.68
STS	17.69	15.80	15.95	16.11	16.29	16.60	80.75	34.15	\$132.60
OMA	1.98	1.42	1.92	1.53	1.79	1.76	7.41	1.70	\$11.09
SSTS									
SDT	0.85	0.70	0.68	0.63	0.51	0.49	3.00	0.78	\$4.63
Spares									
Trainer CLS									
COSIS									
SDO	1.13	0.72	1.24	0.90	0.78	0.77	4.41	0.92	\$6.46
PPSS									
MWO									
ASIOE/COEI*									
USF Cost									
Other Funded									
Training									
Manning									
Munitions									
<b>Total</b>	<b>\$148.97</b>	<b>\$149.28</b>	<b>\$133.07</b>	<b>\$126.67</b>	<b>\$128.34</b>	<b>\$95.08</b>	<b>\$632.43</b>	<b>\$93.23</b>	<b>\$874.64</b>
<b>System Name</b>	<b>FY02 Program Acquisitions Unit Cost (TY\$M)</b>								
M270A1	IFCS/ILMS/Rebuild Launcher and Carrier							4.20**	

\* Associated Support Item of Equipment (ASIOE) / Component of End Item (COEI)

\*\* [146.99 for FY02 in TY\$M] divided by [ 35 Units]

**Recapitalization Program Schedule.** The Table below represents the MLRS M270A1 Recapitalization Delivery Schedule. Procurement of M270A1s began in FY98 and delivery of the first M270A1 occurred in July 2000. 191 launchers are currently under contract, 50 of which have been delivered to date. Quantities reflected in the table are deliveries, which are preceded by approximately 24 months of acquisition activities, component lead times, hardware integration, and acceptance testing. The following table presents the current projected M270A1 Recapitalization Delivery Schedule.

Platform	Prior	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
M270A1	40	36	62	55	42	30	32	30	327



## INFORMATION PAPER

**Subject:** M270A1 Recapitalization Program Baseline (RPB) Amendment

**Purpose:** Provide information about changes to the M270A1 RPB as a result of POM 04 build.

**Background:** On 17 Aug 2001, the AAE/VCSA approved the Recapitalization plan for the MLRS M270A1 Launcher Program. By definition, the M270A1 is a selected upgrade recapitalization program. The approved recapitalization plan upgraded 327 launchers in 15 battalions for the 2 1/3 Division Counter Attack (CATK) Corps and Eight U.S. Army.

**Discussion:**

- Due to increased funding requirements for Army Transformation, the M270A1 program was terminated beginning FY 04. Termination deliberately assumes an increased level of risk until HIMARS can be fielded.
- Impact to the Army includes:
  - Deletes M270A1 upgraded launchers for 5 Bns in the 2 1/3 Division CATK Corps.
    - 1st BN 39th FA Ft. Stewart, GA (Includes D2-131 Texas National Guard)
    - 6th BN 32nd FA Ft. Sill, OK
    - 1st BN 77th FA Ft. Sill, OK
    - 6th BN 27th FA Ft. Sill, OK
    - 1st BN 12th FA Ft. Sill, OK
  - Reduces the production program from 327 launchers to 226.
  - The units that do not get M270A1 are expected to get the HIMARS System.
  - Funding in FY 04-06 fields launchers procured prior to and through FY 03.

(\$000)		FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY04-09
<b>PF1.1Funding</b>		146.90	147.86	131.15	125.14	127.05	93.83	49.87	38.70	565.74
Decrement		0.00	0.00	77.00	79.00	105.00	93.83	49.87	38.70	443.40
Remaining		146.90	147.86	<b>54.15</b>	<b>46.14</b>	<b>22.05</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	122.34
% Decrement		0%	0%	59%	63%	83%	100%	100%	100%	78%
<b>Deliverables</b>	<b>Prior</b>									
VCSA Quantities	40	36	62	55	42	30	32	30	0	327
POM FY04 Adjustment	40	36	62	55	33	0	0	0	0	226

**Conclusion:** Changes to the POM 04 build reduced the AAE/VCSA approved M270A1 Recapitalization production program to provide funds to Army Transformation.

**Office, Assistant Secretary of the Army (ALT)**  
**SUMMARY OF ACTION**

<b>TO:</b> VCSA  <b>THRU:</b> AAE  <b>THRU:</b> MILDEP	<b>ACTION OFFICER:</b> Mr. John McVey <b>OFFICE SYMBOL:</b> SAAL-SM <b>PHONE NO:</b> 601-0356 <b>DATE/TIME:</b> 28 August 02/0800 hrs	<b>SUSPENSE DATE:</b>  <b>CONTROL NO.</b> <del>NA</del> <b>21001541</b>
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**SUBJECT:** M270A1 Recapitalization Program Baseline (RPB) Approval

**RECOMMENDATION:** AAE Approve, Sign and Forward RPB to VCSA for signature.

**SUMMARY OF ACTION:**

LTG Caldwell tasked the Program Executive Officers (PEO) of the recap systems approved by the VCSA to comply with the RPB guidance. PEO TAC Missiles conducted a Decision Review of the MLRS (M270A1) Recapitalization Program and validated the Recap baseline pending final approval by the Army Acquisition Executive/Vice Chief of Staff, Army.

- MIL DEP recommendation to approve, sign and forward the approval memorandum to the AAE/VCSA.
- AAE/VCSA approval letter
- TAB A - RPB
- TAB B - MIL DEP Recapitalization Guidance Letter
- TAB C - PEO TM validation letter
- TAB D - POM FY04-09 System Adjustment Information Paper

MILITARY DEPUTY ACTION		ASA (ALT) ACTION	
<input type="checkbox"/> [Approved] <input type="checkbox"/> [Disapproved] <input type="checkbox"/> PSM	<input checked="" type="checkbox"/> [Recommend Approval] <input type="checkbox"/> [Recommended Disapproval] <input type="checkbox"/> Noted	<input type="checkbox"/> Approved <input type="checkbox"/> PSM	<input type="checkbox"/> Disapproved <input type="checkbox"/> Noted
<b>Comments :</b>		<b>Comments:</b>	

COORDINATION					APPROVALS				
CC	NCC	OFFICE	NAME	PHONE		APPR	DISAPPR	INITIAL	DATE
x		OGC	Mr. Norsworthy	697-5120	BRANCH				
x		G8	LTC Thea Harvell	692-8223	DIV	<input checked="" type="checkbox"/>		AKH	20 Sept
x		CEAC	Mr Robert Conley	601-4173	EXEC	<input checked="" type="checkbox"/>		AKH	30 Sept
x		G4	MS Kelley <del>MS Mike KEESE</del>	614-6471 <del>614-4443</del>	ASST DEP	<input checked="" type="checkbox"/>		SM	10/1
x		SAAL-ZL	Mr. Pybus	697-5050	DEP				
x		SAAL-RI	MAJ (P) Shoop	614-3753					
x		PAED-G8	MAJ Dave Fralen	695-9680		<input checked="" type="checkbox"/>		AKH	30 Sept

CC = Concur

NCC = Nonconcurr

APPR = Approved

DISAPP = Disapproved

MS Word SAAL FORM 5

Version Dated 20 August 2002

*Bob*